



July 11, 2014

Honorable Minister Lawrencina Laraba Mallam
Federal Ministry of Environment Headquarters
Block C, Mabuchi, FCT, Abuja, NIGERIA

Dear Minister Lawrencina Laraba Mallam:

The Overseas Private Investment Corporation (OPIC) is proposing to issue financing and political risk coverage to Azura Edo Thermal Power Project, a 450 MW power plant adjacent to the National Integrated Power Project (NIPP) in Edo State, Nigeria.

OPIC is an agency of the United States Government with a mandate to encourage and support U.S. private sector investments in developing countries and emerging economies. All OPIC-supported projects must be economically and environmentally sound. OPIC is required by U.S. law to notify appropriate governmental authorities of investments under consideration for OPIC assistance that have the potential to pose significant consequences for the environment.

OPIC also is required by U.S. law to provide your government with information about standards and guidelines that have been developed by international organizations and by federal environmental regulatory authorities of the United States and that are applicable to such investments. OPIC applies guidelines and standards established by the World Bank Group and other similar international organizations. The web site links to these relevant guidelines are attached to this letter.

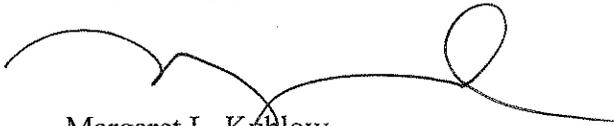
According to the documentation submitted by Azura Edo, the key areas of environmental and social concern are air quality, noise, biological or ecological issues associated with disturbance to the site, water supply or wastewater discharges, the need for appropriate occupational health and safety measures to assure worker safety, preservation of cultural property belonging to the nearby communities, and compensation of the affected communities for any loss of income. Also the facility will be located close to the Orior-Osemwende, Idunmwowina-Urho-Nisen, and Ihovbor-Evboeka communities and mitigation of impacts to these communities is an important consideration. Our analysis confirms that the project has been designed to minimize social and environmental impacts. The facility will use internationally accepted environmental management practices to mitigate potential impacts to acceptable levels. Based on information provided by Azura Edo, the Project does not appear to pose significant hazards to the environment, public health, and safety.

practices to mitigate potential impacts to acceptable levels. Based on information provided by Azura Edo, the Project does not appear to pose significant hazards to the environment, public health, and safety.

We understand, of course, that the project will be subject to the laws of Nigeria with regard to protection of the environment, public health, and safety.

If you have any questions about OPIC's environmental and social assessment of this project, you may contact Mary Boomgard, Managing Director, Environmental Impact Analysis Group, at the above address or at Mary.Boomgard@opic.gov.

Respectfully yours,

A handwritten signature in black ink, appearing to read 'Margaret L. Kuhlow', with a large, stylized flourish extending to the right.

Margaret L. Kuhlow
Vice President for Investment Policy

Direct: 202-336-8468

Fax: 202.408.0193

E-mail: Margaret.Kuhlow@opic.gov

Applicable U.S. and International Standards and Guidelines

- (1) International Finance Corporation's General Environmental, Health and Safety Guidelines:
http://www1.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+sustainability/sustainability+framework/environmental%2C+health%2C+and+safety+guidelines/ehsguidelines
- (2) International Finance Corporation's Environmental, Health, and Safety Guidelines for Thermal Power Plants:
http://www1.ifc.org/wps/wcm/connect/dfb6a60048855a21852cd76a6515bb18/FINAL_Thermal%2BPower.pdf?MOD=AJPERES&id=1323162579734
- (3) International Finance Corporation's Performance Standards:
http://www.ifc.org/wps/wcm/connect/115482804a0255db96fbffd1a5d13d27/PS_English_2012_Full-Document.pdf?MOD=AJPERES
- (4) US EPA National Ambient Air Quality Standards:
<http://www.epa.gov/air/criteria.html>